

SENATE BILL 579

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CF 2lr2385

By: **Senators Glassman, Brinkley, Colburn, Jacobs, Kelley, Middleton,
Montgomery, Robey, and Rosapepe**

Introduced and read first time: February 3, 2012

Assigned to: Education, Health, and Environmental Affairs

A BILL ENTITLED

1 AN ACT concerning

2 **Alcoholic Beverages – Farm Brewery Manufacturer’s License**

3 FOR the purpose of creating a Class 8 farm brewery manufacturer’s license; specifying
4 a certain annual fee for the license; authorizing a licensee to sell and deliver
5 beer manufactured in a facility on the licensed farm or in another facility to
6 certain persons; requiring that the beer be manufactured in a certain manner;
7 requiring that a farm brewery be located only at the place stated on the license;
8 providing that a licensee may exercise the privileges of the license,
9 notwithstanding local law; specifying the privileges that may be exercised by a
10 licensee, including providing samples of beer, selling certain foods, storing beer,
11 brewing beer, bottling beer, or contracting for a certain number of barrels of
12 beer each calendar year; specifying the times during which a licensee may
13 exercise the privileges of the license; specifying the days of operation for a
14 licensee; specifying that certain provisions of law apply to a licensee;
15 authorizing a licensee to sponsor a certain multibrewery activity at the licensed
16 farm under certain conditions; specifying the privileges that a licensee may
17 exercise at a multibrewery activity and the times that the activity may be held;
18 authorizing the Office of the Comptroller to issue a special brewery promotional
19 event permit to a licensee under certain conditions; specifying the privileges
20 that may be exercised by the licensee at the special brewery promotional event;
21 requiring that the beer at the special brewery promotional event be sold by the
22 glass and for consumption on the premises only; and generally relating to Class
23 8 farm brewery licenses.

24 BY repealing and reenacting, with amendments,
25 Article 2B – Alcoholic Beverages
26 Section 2–201(a)
27 Annotated Code of Maryland
28 (2011 Replacement Volume)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 BY adding to
 2 Article 2B – Alcoholic Beverages
 3 Section 2–209
 4 Annotated Code of Maryland
 5 (2011 Replacement Volume)

6 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
 7 MARYLAND, That the Laws of Maryland read as follows:

8 **Article 2B – Alcoholic Beverages**

9 2–201.

10 (a) The annual fees for manufacturer’s licenses are as follows:

11	Class 1	Distillery	\$ 2,000
12	Class 2	Rectifying	600
13	Class 3	Winery	750
14	Class 4	Limited Winery	200
15	Class 5	Brewery	1,500
16	Class 6	Pub–Brewery	500
17	Class 7	Micro–Brewery	500
18	CLASS 8	FARM BREWERY	200

19 2–209.

20 (A) (1) **THERE IS A CLASS 8 FARM BREWERY LICENSE.**

21 (2) **SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, A CLASS 8**
 22 **FARM BREWERY LICENSE ALLOWS THE LICENSEE TO SELL AND DELIVER BEER**
 23 **MANUFACTURED IN A FACILITY ON THE LICENSED FARM OR IN A FACILITY**
 24 **OTHER THAN ONE ON THE LICENSED FARM TO:**

25 (I) **A WHOLESALER LICENSED TO SELL AND DELIVER BEER**
 26 **IN THE STATE; OR**

27 (II) **A PERSON IN ANOTHER STATE AUTHORIZED TO**
 28 **ACQUIRE BEER.**

29 (3) **THE BEER TO BE SOLD AND DELIVERED UNDER PARAGRAPH**
 30 **(2) OF THIS SUBSECTION SHALL BE MANUFACTURED WITH AN INGREDIENT**
 31 **MOSTLY FROM AN AGRICULTURAL PRODUCT, INCLUDING HOPS, GRAIN, AND**
 32 **FRUIT, PRODUCED ON THE LICENSED FARM.**

1 **(4) A CLASS 8 FARM BREWERY MAY BE LOCATED ONLY AT THE**
2 **PLACE STATED ON THE LICENSE.**

3 **(5) NOTWITHSTANDING ANY LOCAL LAW, A LICENSEE MAY**
4 **EXERCISE THE PRIVILEGES OF A CLASS 8 FARM BREWERY LICENSE.**

5 **(6) A LICENSEE MAY:**

6 **(I) SELL BEER PRODUCED BY THE LICENSEE FOR**
7 **CONSUMPTION ON THE LICENSED FARM;**

8 **(II) IN AN AMOUNT NOT EXCEEDING 6 FLUID OUNCES PER**
9 **BRAND, PROVIDE SAMPLES OF BEER THAT THE LICENSEE PRODUCES TO A**
10 **CONSUMER:**

11 **1. AT NO CHARGE; OR**

12 **2. FOR A FEE; AND**

13 **(III) SELL OR SERVE:**

14 **1. BREAD AND OTHER BAKED GOODS;**

15 **2. CHILI;**

16 **3. CHOCOLATE;**

17 **4. CRACKERS;**

18 **5. CURED MEAT;**

19 **6. FRUITS (WHOLE AND CUT);**

20 **7. SALADS AND VEGETABLES (WHOLE AND CUT);**

21 **8. HARD AND SOFT CHEESE (WHOLE AND CUT);**

22 **9. ICE CREAM;**

23 **10. JELLY;**

24 **11. JAM;**

- 1 **12. VINEGAR;**
- 2 **13. PIZZA;**
- 3 **14. PREPACKAGED SANDWICHES AND OTHER**
4 **PREPACKAGED FOODS READY TO BE EATEN;**
- 5 **15. SOUP; AND**
- 6 **16. CONDIMENTS.**

7 **(7) SUBJECT TO SUBSECTIONS (D) AND (E) OF THIS SECTION, A**
8 **LICENSEE MAY EXERCISE THE PRIVILEGES OF THE LICENSE EACH DAY DURING**
9 **THE FOLLOWING TIMES:**

10 **(I) FROM 10 A.M. TO 6 P.M., FOR CONSUMPTION OF BEER**
11 **AND SALES AND SERVICE OF FOOD AT THE LICENSED FARM; AND**

12 **(II) FROM 10 A.M. TO 10 P.M., FOR:**

13 **1. SAMPLING OF BEER;**

14 **2. CONSUMPTION OF BEER OFF THE LICENSED FARM**
15 **IF THE BEER IS PACKAGED IN SEALED OR RESEALABLE CONTAINERS, SUCH AS**
16 **GROWLERS; AND**

17 **3. GUESTS WHO ATTEND A PLANNED PROMOTION**
18 **EVENT OR OTHER ORGANIZED ACTIVITY AT THE LICENSED FARM.**

19 **(8) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS**
20 **PARAGRAPH, A CLASS 8 FARM BREWERY LICENSE ALLOWS THE LICENSEE TO**
21 **OPERATE 7 DAYS A WEEK.**

22 **(II) IN GARRETT COUNTY, A LICENSEE MAY OPEN ON**
23 **SUNDAYS TO ENGAGE IN THE ACTIVITIES LISTED IN PARAGRAPH (3) OF THIS**
24 **SUBSECTION ONLY IN AN ELECTION DISTRICT WHERE THE VOTERS, IN A**
25 **REFERENDUM AUTHORIZED BY LAW, HAVE APPROVED SUNDAY SALES AT A**
26 **FARM.**

27 **(9) EXCEPT AS PROVIDED UNDER SUBSECTION (D) OF THIS**
28 **SECTION, A LICENSEE MAY NOT SELL OR ALLOW TO BE CONSUMED AT THE**
29 **LOCATION OF THE FARM BREWERY ANY ALCOHOLIC BEVERAGE OTHER THAN**

1 THE BEER PRODUCED BY THE LICENSEE UNDER THE AUTHORITY OF THIS
2 SECTION.

3 (10) NOTHING IN THIS SUBSECTION LIMITS THE APPLICATION OF
4 RELEVANT PROVISIONS OF TITLE 21 OF THE HEALTH – GENERAL ARTICLE, AND
5 REGULATIONS ADOPTED UNDER THAT TITLE, TO A LICENSEE.

6 (B) THE PLACE LISTED ON THE CLASS 8 FARM BREWERY LICENSE
7 SHALL BE IN COMPLIANCE WITH § 9–103 OF THIS ARTICLE.

8 (C) A LICENSEE MAY:

9 (1) STORE ON ITS LICENSED FARM, IN A SEGREGATED AREA
10 APPROVED BY THE COMPTROLLER, BEER PRODUCED AT THE LICENSED FARM
11 FOR SALE AND DELIVERY TO A WHOLESALER LICENSED IN THE STATE OR A
12 PERSON OUTSIDE OF THE STATE AUTHORIZED TO ACQUIRE THE BEER;

13 (2) BREW, BOTTLE, OR CONTRACT FOR NOT MORE THAN 15,000
14 BARRELS OF BEER EACH CALENDAR YEAR;

15 (3) CONTRACT WITH THE HOLDER OF A CLASS 5 BREWERY
16 LICENSE OR A CLASS 2 RECTIFYING LICENSE TO BREW AND BOTTLE BEER FROM
17 INGREDIENTS PRODUCED ON THE LICENSED FARM;

18 (4) IMPORT, EXPORT, AND TRANSPORT ITS BEER IN ACCORDANCE
19 WITH THIS SECTION; AND

20 (5) STORE BEER AT A WAREHOUSE FOR WHICH THE LICENSEE
21 HAS BEEN ISSUED AN INDIVIDUAL STORAGE PERMIT, FOR SALE AND DELIVERY
22 TO A WHOLESALER LICENSED IN THE STATE OR A PERSON OUTSIDE OF THE
23 STATE AUTHORIZED TO ACQUIRE THE BEER, OR SHIPMENT BACK TO THE
24 LICENSED FARM, IF:

25 (I) THE LICENSEE DOES NOT SERVE OR SELL BEER AT THE
26 WAREHOUSE; AND

27 (II) THE COMPTROLLER HAS FULL ACCESS AT ALL TIMES
28 TO THE WAREHOUSE TO ENFORCE THIS ARTICLE.

29 (D) (1) A LICENSEE MAY SPONSOR A MULTIBREWERY ACTIVITY AT
30 THE LICENSED FARM THAT:

31 (I) INCLUDES THE PRODUCTS OF OTHER BREWERIES; AND

1 **(II) PROVIDES FOR THE SALE OF BEER BY THE GLASS FOR**
2 **CONSUMPTION ON THE PREMISES ONLY.**

3 **(2) IN A SEGREGATED AREA APPROVED BY THE COMPTROLLER**
4 **ON THE LICENSED FARM, A LICENSEE MAY STORE THE PRODUCTS OF OTHER**
5 **BREWERIES FOR THE MULTIBREWERY ACTIVITY.**

6 **(3) THE MULTIBREWERY ACTIVITY:**

7 **(I) MAY BE HELD FROM 10 A.M. TO 10 P.M. EACH DAY; AND**

8 **(II) MAY NOT EXCEED 3 CONSECUTIVE DAYS.**

9 **(E) (1) THE OFFICE OF THE COMPTROLLER MAY ISSUE A SPECIAL**
10 **BREWERY PROMOTIONAL EVENT PERMIT TO A LICENSEE.**

11 **(2) AT LEAST 15 DAYS BEFORE HOLDING A PLANNED**
12 **PROMOTIONAL EVENT, THE LICENSEE SHALL OBTAIN A PERMIT FROM THE**
13 **COMPTROLLER BY FILING A NOTICE OF THE PROMOTIONAL EVENT ON THE**
14 **FORM THAT THE COMPTROLLER PROVIDES.**

15 **(3) THE PERMIT AUTHORIZES THE LICENSEE TO CONDUCT AT**
16 **THE LICENSED FARM A PROMOTIONAL EVENT AT WHICH THE LICENSEE MAY:**

17 **(I) PROVIDE SAMPLES OF NOT MORE THAN 6 FLUID**
18 **OUNCES PER BRAND TO CONSUMERS; AND**

19 **(II) SELL BEER PRODUCED BY THE LICENSEE TO PERSONS**
20 **WHO PARTICIPATE IN THE EVENT.**

21 **(4) THE BEER AT THE EVENT SHALL BE SOLD BY THE GLASS AND**
22 **FOR CONSUMPTION ON THE PREMISES ONLY.**

23 **(5) THE LICENSEE MAY NOT BE ISSUED MORE THAN 12 PERMITS**
24 **IN A CALENDAR YEAR.**

25 **(6) A SINGLE PROMOTIONAL EVENT:**

26 **(I) MAY BE HELD FROM 10 A.M. TO 10 P.M. EACH DAY; AND**

27 **(II) MAY NOT EXCEED 3 CONSECUTIVE DAYS.**

1 **(7) THE PERMIT FEE IS \$25 PER EVENT.**

2 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
3 July 1, 2012.